

STATINTL

The Washington Merry-Go-Round

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CIA Chief Next to Kennedy in Power

By Drew Pearson

Some people may wonder why I have been writing so much about John McCone, now up for Senate confirmation as head of Central Intelligence. They may wonder whether I have a personal grudge against McCone. The fact is I have nothing against McCone personally, don't believe I've even met him.



Pearson

But the most important person molding U. S. foreign policy, next to the President, is probably the head of Central Intelligence. The public doesn't realize this, but it's true. More than even the Secretary of State, the head of CIA can depose kings or presidents, foment revolution, take us close to war. Furthermore, he doesn't have to report to Congress, or even to the General Accounting Office for the money he spends. He is the only Government official with this exemption.

His power results from two facts:

1. He can use money and agents to subvert and undermine a foreign government and nobody in Congress knows about it.
2. He reports to the President. And the man who reports the facts on a foreign situation to be a certain way has the power to make decisions.

Let's take some examples. These are not mythical examples, but concrete facts which can be proved.

The Cuban fiasco—In April, following the traditional shipping ore and oil

failure at the Bay of Pigs, Secretary of State Rusk informed a seminar of editors in Washington that "the intelligence from Cuba was inaccurate and very poor." Roger Hilsman Jr., Chief of State Department Intelligence, informed a newsmen, "our information on Cuba was quite different from CIA's but we were not consulted."

Business Finances CIA

In brief, CIA had informed President Kennedy that conditions inside Cuba were ripe for revolution, that the Cuban people would rise up to join the freedom fighters. Mr. Kennedy believed these facts to be accurate and made the wrong decision. Thus the power to report actually gave the CIA the virtual power to make the decision.

Business Money Behind CIA

—After the Bay of Pigs fiasco, I reported that certain U. S. business firms, one of them a big oil company, had put up several hundred thousand dollars to finance the Cuban freedom fighters.

This meant that foreign policy was further divorced from the constitutional channels of government and financed by private corporations with a property stake in Cuba. This can be one of the best ways to drag 180 million people into war for the benefit of a handful.

However, this is the way CIA operates. Corporation heads are given the privilege of looking through CIA files. Corporation officials abroad influence and cooperate with CIA agents.

CIA Chief McCone admits he owns \$1 million of Standard Oil of California stock and is not going to sell that stock. His holding companies make several millions dollars

for various corporations. How can he possibly divorce his judgment from decisions that affect his companies is a question some Senators are asking.

OPERATIONS IN SPAIN—

After Prof. Jesus de Galindez was kidnaped from New York in 1956, Allen Dulles phoned District Attorney Frank Hogan in New York asking that a CIA agent be permitted to look over the Galindez papers. It then became known that CIA had put up \$1,016,000 for Galindez to operate a Basque network in Spain. The Basques hate Franco, so this network could only have worked against Franco, who has given the United States military bases.

The State Department knew nothing about this.

OPERATIONS IN COSTA

RICA—In 1953-54, President Figueres of Costa Rica discovered that a CIA agent was tapping his telephone. The agent was caught. Figueres was probably the most pro-American of the duly elected Central American presidents, and the discovery of a phone tap didn't help our relations.

The State Department knew nothing about this CIA job. It was suspected that either Gen. Somoza in Nicaragua, who hated Figueres, or U. S. business interests inspired CIA to tap the Figueres phone.

OPERATIONS IN IRAN—

When Mossadegh was in power in Iran, the CIA offered Mohamed Ossein Ghasseghai a prominent Iranian leader, \$4 million in cash if he would lead a revolt. The money was to be deposited in a Swiss bank.

The offer was turned down, but later Allen Dulles flew to Rome and worked with the Shah's sister, Princess Ashraf, in starting a revolution which succeeded.

This is a cross-section of

the amazing network of intelligence and espionage operations which will come under the man who heads CIA and who, because of his power, must be examined for conflicts of interest and other qualifications.

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